

Financial Services
Judith M. Marte, Chief Financial Officer

SUBJECT: RENEWAL OF STUDENT PROFESSIONAL LIABILITY INSURANCE FOR SECONDARY STUDENTS ENROLLED IN HEALTH SCIENCE PROGRAMS WITH CLINICAL SETTINGS

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

The Health Science Education Division of Career & Technical Education of Miami-Dade County Public Schools prepares students to become competent workers who meet the needs and demands of the changing healthcare industry. They accomplish this mission by providing planned learning experiences, which include placing students in clinical settings as an integral and critical component of health science education.

In order to provide student training and education in clinical settings, the District has entered into various affiliating agreements with healthcare providers including hospitals and clinics. A contractual requirement for students to be able to participate in these programs is that they must be covered by professional liability insurance.

Based upon direction from the School Board Attorney's Office to the Health Science Education Division, the District cannot require students to use their own funds to purchase this coverage. Therefore, at the Board meeting of October 17, 2007, the Board authorized purchase of Student Professional Liability insurance coverage to protect the enrolled students and the District. The Board has continued to authorize renewal of this coverage since the October 2007 Board Meeting.

Staff is recommending renewal of this program pursuant to the authority under State Board Rule 6A-1.012(15), which provides authorization for a district school board when purchasing insurance, entering into risk management programs or contracting with third party administrators to make such acquisitions through the bid process, or by direct negotiations and contract.

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RENEWAL PREMIUM SUMMARY

The rate per student remains at \$12.00 as per the expiring policy. The overall enrollment for these programs has decreased from 2,845 to 2,286. Staff through the Board's broker Arthur J. Gallagher Risk Management Services, Inc. has negotiated a 25% credit to the overall student base premium and as a result the overall per student premium rate has decreased from \$27,432 to \$20,574. The policy includes an endorsement naming the School Board as an additional insured for an additional \$1,030 in premium for a total policy premium of \$21,604. The total premium for this policy has decreased based on last year's premium of \$25,348.95 to \$21,604 representing approximately a 15% reduction.

Staff is recommending purchase of Student Professional Liability insurance coverage through Arthur J. Gallagher Risk Management Services, Inc., from Chicago Insurance Company (A.M. Best A XV) with coverage limits of \$1 million per occurrence/\$6 million annual aggregate, with total premiums for such coverage of \$21,604 including all state required fees with the School Board to be named as an additional insured, to cover students enrolled in a program through the Health Science Education Division of Career & Technical Education. Premiums for this program will be paid from the District's liability premium budget.

RECOMMENDED:

That The School Board of Miami-Dade County, Florida, authorize purchase of Student Professional Liability insurance coverage through Arthur J. Gallagher Risk Management Services, Inc., from Chicago Insurance Company (A.M. Best A XV) with coverage limits of \$1 million per occurrence/\$6 million annual aggregate, with the School Board to be named as an additional insured, to cover students enrolled in a program through the Health Science Education Division of Career & Technical Education where proof of coverage is required, with total premiums for such coverage of \$21,604 including all state required fees, with additional students added during the year to be at no additional cost, effective October 17, 2014 to October 16, 2015.

JMM:abc